

Mid-Week Markets Recap: April 15, 2026

Key Takeaways

- After failed negotiations, the President announces a blockade on the Strait of Hormuz
 - Markets were indifferent to J&J recent strong quarter
 - A volatile backdrop prompted JPMorgan to lower its full-year guidance, despite an extremely strong first quarter
 - Snapchat's layoffs highlight a broader trend of companies cutting jobs as they integrate AI into operations
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U.S. Set to Enforce Blockade outside the Strait of Hormuz

“After an unsuccessful set of negotiations on Sunday in Islamabad, President Trump responds by enforcing a blockade”

On Monday morning, President Trump announced that the U.S. would be enforcing a blockade in the Strait of Hormuz, designed to prevent any vessels from entering or exiting the area. This announcement came after negotiation talks between the two countries fell through after disagreements on multiple points.

The blockade is set to take effect at 10 a.m., and now the materiality of this claim remains. Whether it's another last-minute threat, or something to actually become implemented remains at the forefront for markets. The significance of this is further amplified, given that it comes one week before the agreed-upon ceasefire ends.

Equities edged lower to start the day, while yields advanced, a pattern that's become routine over these past seven weeks. This move initially began Sunday night after negotiations failed, and further continued after the President's recent announcement. While many had thought a resolution was all but done, these past two days proved otherwise. There is still work to be done between the two nations particularly around agreements surrounding Iran's nuclear plans. This was the driver behind the disagreement between the two nations, and until an agreement is reached, nothing can be certain.

Investor Response Muted to a Strong First Quarter for J&J

“Despite beating earnings estimates and raising guidance, J&J saw a muted market response to its strong Q1 performance”

Tuesday morning, J&J reported its first quarter earnings and saw strong top and bottom-line figures above analyst estimates. Despite strong performance, and raising guidance, investors reacted minimally to the recent report. On the year shares had risen around 15%, and after the report they rose around 0.5%.

J&J's recent quarter saw strong demand for its Darzalex drug, and Tremfya treatment, with the performance of the two offsetting a decline in demand for the company's Stelara autoimmune drug. Sales for Stelara had fallen 60% from the prior year. Overall, however, quarterly revenue had risen 10% to \$24.1b, above that of consensus estimates of \$23.6b. Adjusted EPS had come in at \$2.70 per share, which also was above consensus estimates of \$2.66. With Stelara losing patent protection last year, and the rise of alternatives, performance hasn't been strong. Despite this, the drop in sales was offset by the treatments mentioned above, and prospects for them remain strong.

In this report, J&J also updated its fiscal year outlook, though the revisions were modest. The midpoint of revenue is now expected to be around \$100.8b, slightly above that of street estimates around \$100.6b. Earnings were also raised to \$11.55 per share, in line with expectations. To some, this guidance comes as conservative, given the recent success J&J has experienced. Its recent development of Icotyde has also seen promising results, with pills being broadly utilized across physician groups. Share prices remain unchanged today, but another strong quarter paired with further progression across recent developments may be enough to prompt further investor reaction.

JPMorgan Records Solid Earnings Despite a Volatile Macro Backdrop

“A resilient economy helped provide the country's largest bank a strong quarter, but the road ahead remains uncertain”

Tuesday morning, JPMorgan reported its first quarter earnings and saw strong top and bottom-line figures above analyst estimates. Despite delivering a strong quarter, the bank lowered its full-year net interest income guidance, citing an extremely volatile operating environment.

For the quarter net income rose 13% over the year, revenue had grown 10%. The growth in both top and bottom-line figures was driven by the strength of the bank's CIB and AWM segments. In particular, the CIB segment saw outsized growth, driven by an advance in both investment banking revenue (38% YoY), and revenue from markets & securities services (19% YoY). A stimulating macro backdrop largely allowed for the advance in investment banking revenue, while a volatile market allowed for increased trading activity, and ultimately greater revenue for the bank. While the environment surrounding the bank allowed for a strong quarter, the company's CEO, Jamie Dimon, warned that this may not be the case moving forward.

In particular, Dimon brought attention towards “geopolitical tensions,” “trade uncertainty,” and “elevated asset prices”. Despite tensions nearing a standstill following recent agreements, markets have yet to develop absolute certainty regarding this outcome. The potential for further threats or escalation to occur still remains, and were this to occur markets would materially be impacted. This volatility may be strong for trading, but for the everyday consumer this isn't the case. The combination of elevated oil prices and uncertainty around the

administration's trade stance complicates the outlook, preventing the bank from achieving the straightforward path it had anticipated. These factors prompted management to lower its full-year guidance, and given the volatility markets have experienced at the start of the year, this stance appears well supported.

Snapchat Reduces 16% of its Workforce

“Snapchat’s recent layoffs position the company to further leverage artificial intelligence and drive greater operational efficiency”

On Wednesday morning, Snapchat, a social media platform centered around disappearing images, announced plans to eliminate roughly 16% of its workforce, cutting about 1,000 jobs. The move comes as the company accelerates the integration of artificial intelligence into its operations. Prior to this announcement, the company housed approximately 5,300 employees, and the last time it had laid off jobs was in 2024, when 10% of the workforce had been reduced.

The significance of Snapchat's recent announcement is that it further amplifies the ongoing trend of AI-leverage within the workplace. The question that remained central throughout the rise of artificial intelligence was always the impact that it would have on the workforce, and what it would mean for not just employees but also employers. As this technology continues to advance, more firms are adopting it, and like Snap, they cite its potential to drive greater operational efficiencies.

What makes Snap's position unique is the financials of the firm, and how it has failed to reach profitability since 2017. In its latest earnings report, the firm reported a full-year loss of \$460 million, despite revenue growing to \$5.9 billion. Losses have been narrowing for the company, however not to the extent that investors have been looking for. This recent announcement, however, signals the opportunity for change. To be precise, in its official statement the company cited that this recent move would potentially accelerate the path towards net-income profitability. The key-word to note is accelerating. For a company that's been operating at a loss for nine years, brining in a profit would be extremely difficult, and honestly, it's not something investors expect. Rather what they're looking for is steps the company is taking to come closer to this long-term goal, and today's announcement does just that. 16% of the workforce is no small amount, and if the capabilities of artificial intelligence are able to bridge this gap, then this recent move may just be the first of many down the line.